



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

HOME RULE ADVISORY GROUP MEETING

AGENDA

October 22, 2014 ♦10:00 a.m.

**SCAQMD Headquarters - Conference Room CC-8
21865 Copley Dr. – Diamond Bar, CA**

*(The public may also participate at the locations listed below.
Committee members may only participate from noticed locations.)*

TELECONFERENCE LOCATIONS

**U.S. EPA
75 Hawthorne Street, Room 1709
San Francisco, CA 94105**

**California Air Resources Board
1001 I Street, Room 7-27
Sacramento, CA 95814**

**SCAG (Main Office)
818 W. 7th Street, 12th Floor
Conference Room CR-West-7th
Los Angeles, CA 90017**

**Riverside Transit Agency
Executive Office
1825 Third Street
Riverside, CA 92507**

**CCEEB
101 Mission Street, Suite 805
San Francisco, CA 94105**

**Eastern Municipal Water District
2270 Trumble Road, Room 136
Perris, CA 92572-8300**

1. Welcome & Self-Introductions.....Dr. Joseph Lyou, Chair
2. Approval of September 17, 2014, Minutes.....Dr. Lyou
3. International Climate Change Strategies
and Activities.....Aaron Katzenstein

Climate and Energy Supervisor

Staff will report on the Intergovernmental Panel on Climate Change (IPCC) Report, United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, and other up-to-date strategies and activities related to international climate change.

4. Summary of ABT Associates' RecommendationsJoe Cassmassi
Planning and Rules Manager
ABT Associates was under contract to review SCAQMD's socioeconomic analysis and to provide recommendations that can be implemented to support the 2015 AQMP. SCAQMD staff will provide a summary of ABT Associates' recommendations and the staff response to the recommendations.
5. Legislative Update.....Philip Crabbe III
Community Relations Manager, SCAQMD
This item highlights legislation and related matters of interest at the local, state, and federal level that will be discussed at the upcoming Legislative Committee meeting.
6. Update Regarding Litigation Items and Related EPA Actions.....Bill Wong
Principal Deputy District Counsel, SCAQMD
This item provides an update on several litigation items that the District is currently involved in as a party, an intervener, or an amicus curiae.
7. EPA and Federal Activities.....Elizabeth Adams, EPA
This item is to report on EPA and federal activities in 2014.
8. CARB Regulatory Activities.....Chris Gallenstein, CARB
Elaine Chang
Deputy Executive Officer, Planning
This item is to report on proposed CARB Rules and amendments for the year 2014 and SCAQMD staff's comments on them related to the AQMP. CARB staff and the committee will discuss items on CARB's Board agenda and CARB's control measures calendar. CARB staff will provide periodic updates on AB 32 auction revenues, as needed.
9. Approval of the 2015 HRAG Meeting Schedule.....Dr. Lyou
Paragraph 15 of Resolution No. 98-33 regarding the Advisory Council and Advisory Groups states that "annual meeting calendars shall be established by November 15 of the previous year."
10. 2014 Accomplishments and 2015 Goals & ObjectivesDr. Lyou
This item will be discussed by the group for feedback. Paragraph 3(a) of Resolution No. 02-29 (adopted by the Governing Board on December 6, 2002, as part of the Blue Ribbon Panel recommendations) states that "(the) Advisory Groups will develop Goals and Objectives on an annual basis, and submit them to the appropriate Board Committee and then forward to the Governing Board for review no later than February of each year."
11. Consensus Building.....Jayne Joy
The HRAG will discuss recommendations to avoid litigation regarding local, state, and federal regulatory activities.
12. Subcommittee Status Reports:
These items are to report on the subcommittee activities and discussions that have occurred at monthly HRAG subcommittee meetings.
 - A. Freight SustainabilityLee Wallace
Subcommittee Chair
 - B. Small Business Considerations.....Bill LaMarr
Subcommittee Chair

- C. Environmental Justice.....Curt Coleman
Subcommittee Chair
- D. New Source ReviewBill Quinn
Subcommittee Chair
- E. Climate Change Activities.....David Rothbart
Subcommittee Chair
13. Report From and to Stationary Source Committee.....Dr. Elaine Chang
This item is to report on any action items coming to the HRAG from the Stationary Source Committee and to discuss items that the HRAG would like staff to bring to the Stationary Source Committee.
14. Other Business
Any member of the committee, on his or her own initiative or in response to questions proposed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or may take action to direct staff to place matter of business on a future agenda. [Govt. Code Section 54954.2]
15. Public Comment
Members of the public may address this body concerning any agenda item before or during consideration of that item (Govt. Code Section 54954.3(a)). All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of a regular meeting. At the end of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Home Rule Advisory Group's authority. Speakers may be limited to three (3) minutes each.
16. Adjournment

Next Meeting: November 19, 2014– 10:00 a.m. in Conference Room CC-8.

Document Availability: *All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District, Public Information Center, 21865 Copley Drive, Diamond Bar, CA 91765.*

Americans with Disabilities Act: *The agenda and documents in the agenda packet will be made available, upon request in appropriate alternative formats to assist persons with a disability (Govt. Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Home Rule Advisory Group meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Marilyn Traynor at (909) 396-3951 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to mtraynor@aqmd.gov.*

Agenda Item No. 2

BACKGROUND: The Home Rule Advisory Group (HRAG) usually meets on the third Wednesday of each month and is Chaired by Governing Board Member Dr. Joseph Lyou. As required by Governing Board Resolution, the HRAG shall give a monthly summary to the Stationary Source Committee. Following is a summary of the September 17, 2014 meeting.

REPORT CONTENT

TOPIC	DESCRIPTION
Legislative Update	<p>Guillermo Sanchez reported on items that were discussed at the Legislative Committee meeting on September 12, 2014.</p> <p><u><i>State</i></u></p> <p>The two-year Legislative session ended without last-minute gut-and-amend bills, due in part to a more experienced legislature and to the leadership of new Assembly Speaker Toni Atkins.</p> <p>In 2013, SCAQMD defeated a variety of bills undermining its authority and helped lead the stakeholder group that secured passage of AB 8 (Perea) which extended the authorization for the Carl Moyer Program and the Alternative and Renewable Fuel and Vehicle Technology Program.</p> <p>In 2014, SCAQMD defeated AB 1102 which, in effect, would have impaired the Agency's rulemaking authority. The bill's author has been vocal about his intent to reintroduce the bill and others that would challenge SCAQMD's authority.</p> <p>All of the ten bills SCAQMD opposed failed. Of the 21 bills SCAQMD supported, 13 passed the Legislature and even those that did not pass were amended to reflect the SCAQMD's policy concerns.</p> <p>The Governor has until the end of the month to act on the list of bills that were included in the Legislative Committee meeting package. Next month staff will prepare a report listing the final outcome.</p> <p><u><i>Questions and Answers</i></u></p> <p><i>Q.</i> What is the status on the state-wide plastic bag ban?</p> <p><i>A.</i> SB 405 (Padilla) was passed as amended and is before the Governor for signature. During the gubernatorial debate, the Governor indicated that he would sign the bill.</p> <p><i>Q.</i> What is the status of AB 1330 (Pérez), the environmental justice bill intended to address serial and serious violators?</p> <p><i>A.</i> AB 1330, which was last amended to address Brown act issues, was sent back to the Senate Rules Committee where it has stalled. The new Speaker and her staff have indicated their willingness to continue working with all the stakeholders to see if a consensus position can still be found.</p>
Update Regarding Litigation Items and Related EPA Actions	<p>Bill Wong provided the following update on the litigation report:</p> <p><u><i>Case No 11, Communities for a Better Environment, California Communities Against Toxics, Desert Citizens Against Pollution, Natural Resources Defense Council, Inc., and Physicians for Social Responsibility-Los Angeles v. U.S. EPA. Ninth Circuit Court of Appeals Case No. 12-71340.</i></u></p> <p>This lawsuit challenges on unspecified grounds EPA's final approval of the 8-hour ozone</p>

	<p>SIP applicable to the South Coast Air Basin. Given EPA’s recent publication of its approval of the one-hour ozone plan, Petitioners have filed for a voluntary dismissal of the case as they had agreed to do with EPA. Although the court has not entered its final order, SCAQMD anticipates that the case will be dismissed.</p> <p><u>Case No. 17, Friedman Marketing v. SCAQMD. California Court of Appeal, Second Appellate District Case No. B249836.</u></p> <p>The Court of Appeal upheld the trial court’s granting of demurrer without leave to amend. SCAQMD doesn’t anticipate an appeal of that decision. As a result, the appellate court decision is final.</p> <p><u>Case No. 8, Natural Resources Defense Council, Inc., et al. v. U.S. EPA. Ninth Circuit Court of Appeals Case No. 13-70544.</u></p> <p>The respondents-intervenor’s briefs are due September 30, 2014 (SCAQMD plans to file a brief before the end of the month). The optional reply brief is due October 30, 2014. A number of amici briefs supporting EPA’s action have been filed (briefs have been filed by Curt Coleman, on behalf of the Southern California Air Quality Alliance, et al., and by Latham and Watkins, on behalf of L.A. Chamber, City of Los Angeles, Small Business Alliance, and Bizfed among others).</p> <p><u>Questions and Answers</u></p> <p><i>Q.</i> Will SCAQMD’s case be influenced if EPA determines that SJVAPCD is in attainment (Case No. 8, <i>Natural Resources Defense Council, Inc., et al. v. U.S. EPA</i>)?</p> <p><i>A.</i> Staff has not seen any paperwork requesting the court to dismiss the case on that ground.</p> <p><i>Q.</i> Were Tenth Amendment/interstate commerce issues raised because EPA excluded data from California chrome plating facilities when determining emissions standards, which could result in stricter standards for California as well as a competitive disadvantage compared to the other states (Case No. 3, <i>National Association for Surface Finishing, et al. v. U.S. EPA</i>)?</p> <p><i>A.</i> The Tenth Amendment was not referenced in Petitioner’s brief.</p>
EPA and Federal Activities	<p>EPA sponsored a West Coast Collaborative meeting on September 4-5, 2014.</p> <p>The following items were recently published in the Federal Register:</p> <ul style="list-style-type: none"> • Approval of portions of the SIP for the one-hour ozone standard • Approval of state implementation plan revisions for VMT offsets <p>EPA extended the public comment period on the Clean Power Plan—the agency’s proposed rule to regulate power plant greenhouse gas (GHG) emissions under Clean Air Act § 111(d)—until December 1, 2014. The comment period was originally scheduled to end on October 16, 2014.</p> <p>EPA has extended the public comment period for the proposed ‘‘Petroleum Refinery Sector Risk and Technology Review and New Source Performance Standards’’ to October 28, 2014.</p>

CARB Regulatory Activities	<p>CARB's cap-and-trade auction scheduled for September 29, 2014, was canceled. The first annual compliance surrender event is scheduled for November 3, 2014. A joint auction is scheduled for November 19, 2014. The 8th greenhouse gas auction was held on August 18, 2014. There were 22,473,043 '2014' allowances sold and 6,470,000 '2017' allowances sold, totaling \$331,809,795.</p> <p>The following items are scheduled to go before CARB's Board on September 18, 2014:</p> <ul style="list-style-type: none"> • Mammoth Lakes PM₁₀ Maintenance Plan and Redesignation Request. • Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms. • Interim Guidance for Agencies Receiving Monies from the Greenhouse Gas Reduction Fund. <p>These items are tentatively scheduled to go before CARB's Board October through December 2014:</p> <ul style="list-style-type: none"> • Amendments to the LEV III and Hybrid Electric Test Procedures, Amendments to the Zero-Emission Vehicle Regulation, and Progress on the Advanced Clean Cars Program. • 2014 Revisions to the San Joaquin Valley PM_{2.5} SIP. • Consider Approval of the Imperial PM_{2.5} Plan. • San Joaquin Valley 8-Hour Ozone Update. • Proposed Adoption of a Rice Protocol for Cap and Trade Regulation (First Hearing of Two). • <p><u>Questions and Answers</u></p> <p><i>Q.</i> Does CARB staff plan to go to their Board in December to provide an update on the sustainable freight strategy.</p> <p><i>A.</i> The date for the briefing has not been officially set.</p>
Consensus Building	There was no report.
Subcommittee Status Reports	<p><i>A. Freight Sustainability (Lee Wallace).</i> The Subcommittee Chair reported as follows:</p> <p><u><i>CARB Sustainable Freight Strategy</i></u></p> <p>CARB has scheduled a series of sustainable freight strategy workshops. Upcoming meetings will be held in San Pedro and San Diego. CARB's goal is to have a final plan by the end of 2015. CARB held three technology assessment workshops that covered a large variety of equipment, including trucks, locomotives, fuels, harbor craft, etc. The last workshop was held at SCAQMD. Presentations and workshop materials are available on CARB's website.</p> <p><u><i>California Freight Mobility Plan (CFMP)</i></u></p> <p>Caltrans is continuing to receive comments on the final draft California Freight Mobility Plan. Public comments are due by September 30, 2014 (The deadline for comments was subsequently extended to October 9, 2014). The draft will be circulated among the appropriate parties for signature by October 24, 2014, with the final plan scheduled for</p>

release by December 31, 2014. The plan contains strategies adopted by local planning agencies that were required to obtain federal funding.

2040 California Transportation Plan (CTP)

The preliminary first draft has been released. A second draft will be released, and a public review draft is expected to be released in February/March 2015 timeframe (there will be a public comment period). The final plan is expected to be released in 2016.

Primary strategies identified so far include:

- Funding (strategies include pay as you go taxes and fees, tap into the cap and trade funds, apply additional sales tax, forming public/private partnerships)
- Environmental stewardship
- Retrofit or adopt facility designs to further reduce the impact on the environment
- Link transportation planning decisions with resources and environmental planning
- Incorporate mitigation and adaptation measures in transportation plans
- Pool mitigation funding for multiple projects
- Establish a multi-agency consultation process
- Support efforts that reduce greenhouse gases such as high-speed rails, zero and low emission vehicles

Caltrans will provide an update on the California Transportation Plan activity at the next HRAG Freight Sustainability Subcommittee meeting which is scheduled for September 24 at 1:00 p.m. at SCAQMD in Conference Room CC-8.

B. Small Business Considerations (Bill LaMarr) The Subcommittee Chair reported as follows:

On September 12, 2014, the first of three meetings (phase one of Clean Up, Green Up Initiative) was held at L.A. City Hall. Approximately 15 to 17 people attended, including representatives from the City Planning Department, CCEEB, L.A. Chamber, Tesoro, CBE, and Councilmember Huizar's office, among others. The meeting participants raised a number of issues with respect to the proposal for more stringent enforcement of rules and regulations for stationary sources in the communities of Boyle Heights, Wilmington and Pacoima. The participants requested data from the Planning Department in order to prepare for the next meeting which has not yet been scheduled.

Questions and Answers

Q. What types of businesses are being targeted?

A. All stationary source businesses in the three communities will be affected. At the first stakeholders meeting, Union de Vecinos wanted to focus on all businesses that may emit pollution and toxic air contaminants in these communities. However, since some businesses do not pay taxes or have the required business licenses or permits, they are not in the system which makes them difficult to track.

Q. Have the stakeholders considered collaborative efforts to reduce business costs and reduce pollution at the same time?

A. This issue has been discussed. Clean Up, Green Up is still in the planning stage so

nothing is final yet.

C. *Environmental Justice (Curt Coleman)* The Subcommittee Chair reported as follows:

OEHHA held a series of workshops in late August and early September to discuss how to identify disadvantaged communities as specified under SB 535. OEHHA has published a report that outlines five methods for identifying disadvantaged communities which are:

Method 1 - Top Scores (Combined Pollution Burden and Population Characteristics)

Method 2 – Top Scores for Pollution Burden Only

Method 3 – Top Scores for Population Characteristics Only

Method 4 – Top Scores Using Equal Cutpoints for Pollution Burden and Population Characteristics

Method 5 – High and Medium-High Score Categories

The Bay Area AQMD (BAAQMD) submitted a proposal that would allow communities that score very high in a subset of these pollution burdens to be considered a disadvantaged community (BAAQMD, in particular, was quite concerned that their communities now ranked very low and would not be eligible to receive funds because CalEnviroScreen 2.0 excluded many of the disadvantaged Bay area communities that were included in the previous version).

CCEEB submitted very brief comments on the plan, and CCEEB's primary comment was that there seemed to be a very definite lack of focus on the primary goal of reducing GHG emissions—the focus was on how to spend the money, with little mention on reducing GHGs, which is the primary intent of SB 535 and AB 32.

Santa Barbara APCD submitted a letter that questioned the validity of the CalEnviroScreen model noting that there are known EJ communities throughout the state that were not identified.

Dr. Lyou concluded that, although the tool has become fairly controversial, the Air Resources Board appears to be committed to use CalEnviroScreen to help make these decisions, with the ultimate goal to reduce greenhouse gas emissions. The deadline for submitting written comments through the ARB website was September 15, 2014.

D. *New Source Review (Bill Quinn)*

The subcommittee chair asked SCAQMD staff to provide an overview of the proposed amendments to Rule 1325. Dr. Chang responded that amendments to Rule 1325 are being made primarily to address EPA's SIP approvability concerns, but there will be no change to the threshold for PM_{2.5} offsets; the proposed amendments will demonstrate that major VOC and ammonia sources (i.e., greater than 100 tons per year) are not significant contributors to PM_{2.5}. Proposed amendments to Rule 1325 are scheduled to go before the SCAQMD

	<p>Board in December.</p> <p>E. Climate Change (David Rothbart) The subcommittee chair continued to discuss SB 535:</p> <p><u>Questions and Answers</u></p> <p><i>Q.</i> Could SCAQMD work with CARB on securing funds for programs in disadvantaged areas in the South Coast region that would actually reduce greenhouse gas emissions.</p> <p><i>A.</i> SCAQMD is working with other stakeholders to achieve co-benefits and to reduce criteria pollutant emissions; SCAQMD is also actively working with CAPCOA and collaborating with the other air districts to achieve emission reductions.</p> <p><i>Q.</i> Is any post cost-benefit analysis done on any of the bills; and, if not, is there is a way to recommend this?</p> <p><i>A.</i> The issue is complicated by emissions that are not easily quantifiable, such as black carbon emissions and greenhouse gas emissions; further, for long-term programs such as land use planning, sustainable development, and public transit, it is difficult to quantify, over the short term, how the investment will pay off.</p> <p><u>Discussion</u></p> <p>SB 1275 (de Leon) and SB 1204 (Lara), which are before the Governor for signature, will provide a framework on how the money should be spent. Staff expects the Governor to sign 1275; however, there were issues with SB 1204. CARB had some concerns with last minute amendments to SB 1204 and recommended that the bill be vetoed (the amendments to the bill will make the funds available for vehicles that some felt should not qualify).</p>
Report from and to the Stationary Source Committee	<p>Elaine Chang reported that staff will present status updates on the following issues at the Stationary Source Committee meeting on September 19, 2014:</p> <ul style="list-style-type: none"> • Exide • Allenco <p>No rules will go before the committee this month.</p>
Other Business	In response to a request by an HRAG member, Dr. Lyou asked SCAQMD staff to schedule a briefing on ABT Associates' recommendations for the next HRAG meeting on October 22, 2014.
Public Comments	There were no public comments.
Next meeting	The next meeting of the Home Rule Advisory Group is scheduled for October 22, 2014, at 10:00 a.m. and will be held at SCAQMD in Conference Room CC-8.
2014 Meeting Schedule (remaining meetings)	<p>The following meetings are scheduled to begin at 10:00 a.m. and will be held at SCAQMD in Conference Room CC-8:</p> <p>November 19</p> <p>December 17</p>

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
HOME RULE ADVISORY GROUP – ATTENDANCE RECORD – 2014**

NAME (term 1/1/13 - 1/1/2015)	1/15	2/19	3/18	4/23	5/20 (Tue)	6/18	7/23	August DARK	9/17	10/15	11/19	12/17
<i>Board/Member, Business & Community Reps, AQMD Staff</i>												
Dr. Joseph Lyou, Chairman	X	X	X	X	X	X	X		X			
Carroll, Mike (Business Rep) <i>Alt – Robert Wyman</i>	A	X	X	A	X	X	X		X			
Chang, Elaine (AQMD Staff)	X	X	X	X	X*	X	X		X			
Chiock, Enrique (Environmental Rep)	X*	A*	X*	A	A	A	T		T*			
Coleman, Curtis (Business Rep)	X	X	X	X	A*	X	X		X			
Corey, Richard (Agency Member) <i>Alt. –Mike Tollstrup</i> <i>Alt. – Chris Gallenstein</i>	T*	T*	T*	T*	T*	A	T*		T*			
Ferlita, Jaclyn (Lyou Rep) effective 9/5/14	N/A	N/A	N/A	N/A	N/A	N/A	N/A		X			
Jordan, Deborah (Agency Member) <i>Alt. - Elizabeth Adams</i>	A*	T*	T*	A	T*	A*	A*		A*			
Joy, Jayne (Business Rep)	X	X	X	X	X	A	X		X			
LaMarr, Bill (Business Rep)	X	X	X	X	X	X	X		X			
Langford, Joy (Burke Rep)	X	A*	X	X	X	A	A		A			
Montez, Art (Yates Rep)	A*	X	X	X	A	X	X		X			
Nadler, Jonathan (Agency Member) <i>Alt. –Rongsheng Luo</i>	T*	T*	T*	T*	T*	T*	T*		T*			
Quinn, Bill (Business Rep)	T	T	X	X	T	T	T		X			
Roberts, Terry (Environmental Rep)	X	X	X	X	A*	X	X		A*			
Rothbart, David (Antonovich Rep) effective 2/19/14	N/A	X	X	X	X	X	X		X			
Rubio, Larry (Benoit Rep)	A*	A*	A*	A	T	A*	T		A			
Wallace, Lee (Business Rep) <i>Alt. – Dan McGivney</i>	X	X*	X	X	X	X	X		X*			
Wang, Mike (Business Rep)	X	X	A	X	A	X	X		A			

X-Present

X*-Alternate in Attendance

T- Participated by Teleconference

T*-Alternate Participated by Teleconference

V-Participated by Videoconference

V*-Alternate Participated by Videoconference

A-Absence

A*-Excused Absence

Revised: 9/11/14

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**LEGISLATIVE REPORT
FROM HOME RULE ADVISORY GROUP
MEETING OF SEPTEMBER 17, 2014**

HRAG members present:

Dr. Joseph Lyou, Chairman

Dr. Elaine Chang, SCAQMD

Mike Carroll, Latham & Watkins on behalf of the Regulatory Flexibility Group

Curt Coleman, Southern California Air Quality Alliance

Jaclyn Ferlia, ClimeCo Corporation

Chris Gallenstein, CARB (participated by phone)

Jayne Joy, Eastern Municipal Water District

Bill LaMarr, California Small Business Alliance

Rongsheng Luo, SCAG (participated by phone)

Dan McGivney on behalf of Lee Wallace, So Cal Gas and SDG&E

Art Montez, AMA International

Bill Quinn, CCEEB

David Rothbart, Los Angeles County Sanitation Districts

Jessica Segovia on behalf of Enrique Chiock, Breathe L.A. (participated by phone)

SCAQMD staff: Amir Dejbakhsh, Chris Marlia, Guillermo Sanchez, Bill Wong, and Marilyn Traynor

LEGISLATIVE UPDATE

Guillermo Sanchez reported on items that were discussed at the Legislative Committee meeting on September 12, 2014.

State

The two-year Legislative session ended without last-minute gut-and-amend bills, due in part to a more experienced legislature and to the leadership of new Assembly Speaker Toni Atkins.

In 2013:

- SCAQMD defeated a variety of bills undermining its authority and helped lead the stakeholder group that secured passage of AB 8 (Perea) which extended the authorization for the Carl Moyer Program and the Alternative and Renewable Fuel and Vehicle Technology Program.

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Mr. Sanchez noted that the Governor has until the end of the month to act on the list of bills that were included in the Legislative Committee meeting package. Next month staff will prepare a report listing the final outcome.

Discussion

Bill LaMarr asked about the status of the state-wide plastic bag ban. Mr. Sanchez responded that SB 405 (Padilla) was passed as amended and is before the Governor for signature. Dr. Lyou added that, during the gubernatorial debate, the Governor indicated that he would sign the bill. Bill Quinn asked about the status of AB 1330 (Pérez), the environmental justice bill intended to address serial and serious violators. Mr. Sanchez responded that the bill, which was last amended to address Brown act issues, was sent back to the Senate Rules Committee where it has stalled. The new Speaker and her staff have indicated their willingness to continue working with all the stakeholders to see if a consensus position can still be found.

STATUS REPORT ON LITIGATION**OFFICE OF GENERAL COUNSEL**

DATE: October 22, 2014

TO: Home Rule Advisory Group

FROM: William B. Wong, Principal Deputy District Counsel

SUBJECT: Status Report Regarding Litigation

1. CASE: **WildEarth Guardians, et al. v. U.S. EPA, U.S. District Court, D.C. Circuit, Case No. 14-1145**

NATURE OF CASE: Staff requests the Board to ratify its filing of a petition to intervene in this case. The petition was due on August 29, 2014, and staff did not learn of this case until August 20, 2014. Petitioners seek an order requiring EPA to retroactively declare the South Coast Air Basin (and San Joaquin Valley Air Basin) to be in “serious” nonattainment for PM2.5, and to order those districts to submit a “serious area” SIP as soon as possible or face sanctions.

The petitioners’ request is “retroactive” because EPA previously implemented PM2.5 requirements under the general nonattainment provisions of the Clean Air Act, but a recent court case held that EPA must apply the PM10 provisions of the Clean Air Act to PM2.5.

Our position is that we have already attained the 1997 PM2.5 standard, so a new SIP would be unnecessary. We have until December 31, 2015 (or as late as 2017 if EPA grants extensions) to attain the 2006 PM2.5 standard for a “moderate” area, so petitioners’ request is premature. Our motion to intervene was unopposed. The San Joaquin Valley District Board has authorized their district to intervene.

In addition, Earthjustice has filed a 60-day notice of intent to sue U.S. EPA over this same issue under the “nondiscretionary duty” provisions of the Clean Air Act. We request authority to intervene in this case, as well.

STATUS: Motion to intervene *has been granted*.

2. **CASE:** **County of Imperial, et al. v. Imperial Irrigation District, et al.,
Court of Appeal Case No. C074592**

NATURE OF CASE: Pursuant to the Board's earlier authorization, staff served an application for leave to file an amicus curiae brief and proposed brief for filing on September 4, 2014. This case challenges the CEQA documents supporting the Imperial Irrigation District's agreement to transfer water to the San Diego County Water Authority, which will result in the Salton Sea receding and exposing dry lakebed to the desert winds. This will result in increased PM10 emissions in the Imperial Valley and the Coachella Valley. Our brief argues that the mitigation measures adopted by Imperial Irrigation District are not "fully enforceable" as required by CEQA, and that Imperial Irrigation District failed to explain its findings that mitigation measures that would reduce air quality impacts to insignificant were infeasible.

STATUS: *(No change since last month.)* Pending in Court of Appeal; application for leave to file amicus brief pending.

* * *

3. **CASE:** **National Association for Surface Finishing, et al. v. U.S. EPA,
U.S. District Court, D.C. Circuit, Case No. 12-1459
(consolidated with Nos. 12-1460 and 13-1147)**

NATURE OF CASE: Pursuant to the Board's earlier authorization, we joined an amicus curiae brief filed by the California Air Resources Board and the State of New York in this case. We argued that EPA failed to properly apply the Clean Air Act standards for "maximum available control technology" (MACT) for sources of hazardous air pollutants in revising their emission standards for chrome plating facilities. Also, EPA improperly excluded data from California chrome plating facilities in determining what emission standards facilities can meet. As a result, California chrome platers are subject to stricter standards (adopted years ago by SCAQMD and then CARB) than platers in the rest of the United States, putting them at a competitive disadvantage. We believe this is contrary to the intent of the Clean Air Act. The case is important because it will establish the legal standard for "MACT" for all sources of hazardous air pollutants, not just chrome platers.

STATUS: *(No change since last month.)* Amicus brief filed.

* * *

4. **CASE:** **U.S. EPA Petition for Declaratory Order – Surface Transportation Board, Docket No. FD35803**

NATURE OF CASE: On January 24, 2014, EPA filed a petition with the Surface Transportation Board (STB), which primarily regulates railroads, for an order determining whether SCAQMD Rules 3501 and 3502 would be preempted if EPA approved them into the SIP. The railroads argue that these rules, which limit idling to 30 minutes in certain cases, and required simple records of events exceeding 30 minutes, are preempted by the Interstate Commerce Commission Termination Act (ICCTA).

STATUS: **(No change since last month.)** Any interested person may file a reply with the STB within 20 days (February 13, 2014). We filed pleadings supporting our position and obtained support from Communities for Environmental Justice, CARB, and the State of Massachusetts, which has a SIP-approved rule applicable to locomotive idling.

On February 26, the STB opened a proceeding giving the parties until March 28 to file further evidence and arguments and until April 14 to file replies. All parties filed additional evidence and/or arguments on March 28. On April 14, the District, CARB, the Railroads, and the Association of American Railroads filed replies. Unexpectedly, the U.S. Department of Transportation—not previously a party—filed “concerns” regarding the District’s Rules. As this was new matter not previously raised, the District requested leave to file a short proposed reply to the DOT filing. The STB has accepted this reply.

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5. **CASE:** **SCAQMD v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 13-73936**

NATURE OF CASE: Pursuant to the Board’s directive, staff filed a challenge to EPA’s action creating a separate nonattainment area for Morongo lands with a classification of “severe-17” for ozone. SCAQMD is concerned that this gives businesses locating at Morongo a competitive advantage over South Coast Basin facilities so that facilities will preferentially locate there, causing adverse air quality effects downwind in the Coachella Valley.

STATUS: **(No change since last month.)** The parties agreed to participate in the Ninth Circuit Court of Appeals mediation program. There was a mediation conference call held on February 12, 2014, and the parties will hold a call on March 5, 2014. The parties have held two

settlement calls and have scheduled a further mediation call for September 24, 2014.

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6. CASE: **Utility Air Regulatory Group v. U.S. EPA, U.S. Supreme Court Case No. 12-1146 (consolidated with 12-1272, 12-1248, 12-1254, 12-1268, and 12-1269)**

NATURE OF CASE: Various industry groups filed a challenge to EPA's GHG permitting rules, arguing that the Clean Air Act did not authorize EPA to regulate GHGs from stationary sources. The D.C. Circuit Court of Appeals upheld EPA's rules. The U.S. Supreme Court granted review.

STATUS: Pursuant to prior authorization, SCAQMD joined an amicus brief, together with UCLA Law School's Emmett Center for Climate Change, addressing the practicalities of GHG permitting, our experience so far, and our support for EPA's phased approach to GHG permitting. The case was argued in the U.S. Supreme Court on February 24, 2014. The U.S. Supreme Court entered judgment on June 23, 2014 affirming in part and reversing in part the decision of the Circuit Court. The Court held that the Clean Air Act neither compels nor permits the Environmental Protection Agency to adopt an interpretation of the Clean Air Act requiring a stationary source of pollution to obtain a "Prevention of Significant Deterioration" or Title V permit on the sole basis of its potential greenhouse-gas emission. However, EPA reasonably interpreted the Clean Air Act to require sources that would need permits based on their emission of chemical pollutants to comply with "best available control technology" for greenhouse gases. The parties have been directed to file motions setting forth any necessary further proceedings in the Court of Appeal upon remand from the U.S. Supreme Court. *Certain industry and state petitioners have filed motions for further relief which they believe is consistent with the Supreme Court's ruling.*

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7. CASE: **Friends of the Fire Rings v. South Coast Air Quality Management District and City of Newport Beach, Orange County Superior Court No. 30-2013-00690328-CU-WM-CXC**

NATURE OF CASE: Petitioners challenge the SCAQMD's adoption of amendments to Rule 444 relating to fire rings on the beach. The City of Newport Beach has been added as a "DOE" defendant, since that City has voted to remove about half of the fire rings at Balboa Pier and

Corona del Mar. The complaint alleges violation of the Coastal Act, CEQA, the Equal Protection Clause, and numerous provisions of the Health & Safety Code pertaining to the substance and process for the rule amendments. The District was served on December 12, 2013, and the City of Newport Beach on January 2, 2014.

STATUS:

(No change since last month.) A hearing on Petitioner's motion for Preliminary Injunction, which sought to stay the Board's July 2013 amendments regarding beach burning, was held on January 31, 2014. Orange County Superior Court Judge Judge Robert Moss denied the motion for preliminary injunction, finding that the District had presented adequate evidence to show that wood burning can be harmful to human health and that the amendments allowed the use of charcoal and liquid fuel and did not mandate the specific configuration of the fire rings.

The parties have met and conferred and stipulated to transfer the case to San Diego County pursuant to section 30806 of the Public Resources Code. On March 20, 2014, the court served a notice of transfer to the Superior Court of San Diego County. The District is in the process of completing preparation of the record and responding to petitioners' requests re the record. Once the record is certified the District and Newport Beach will file their answers to the complaint and the matter will later be set for hearing. Contrary to their prior representation, Petitioners have failed to dismiss their CEQA claim, which is barred by the statute of limitations, so we will be filing a limited demurrer to get rid of that claim.

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8. CASE:

Natural Resources Defense Council, Inc., et al. v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 13-70544

NATURE OF CASE:

On February 12, 2013, Natural Resources Defense Council and Communities for a Better Environment filed a lawsuit against EPA challenging its approval of South Coast Air Quality Management District Rule 317, Clean Air Act Non-Attainment Fee. Rule 317 is a local fee rule submitted to address section 185 of the Clean Air Act with respect to the 1-hour ozone standard for anti-backsliding purposes. Rule 317 relies on fees imposed on mobile sources under state law. EPA finalized approval of Rule 317 as an alternative to the program required by section 185 and determined that the District's alternative fee-equivalent program is not less stringent than the program required by section 185.

STATUS:

(No changes since last month.) EPA's motion to continue the stay pending the San Joaquin lawsuit was denied. The court established

the following briefing schedule: the opening brief is due June 9, 2014; the answering brief is due September 8, 2014; the respondents-intervenors' briefs are due September 30, 2014; and the optional reply brief is due October 30, 2014.

* * *

9. CASE: **Communities for a Better Environment, et al. v. U.S. EPA, et al., U.S. Court of Appeals, Ninth Circuit, Case No. 13-70167**

BACKGROUND: On January 14, 2013, Communities for a Better Environment (CBE) and California Communities Against Toxics (CCAT) filed a Petition for Review of EPA's final rulemaking that was issued on November 14, 2012. The challenged rulemaking constituted EPA's supplemental, final action to approve a source-specific SIP revision allowing the District to transfer offsetting emission reductions for PM₁₀ and SO_x to the CPV Sentinel Energy Project, a natural gas fired power plant, through the AB 1318 tracking system. EPA first issued a final rulemaking to approve the District's transfer of offsets to the CPV Sentinel Energy Project on April 20, 2011. That rulemaking was challenged by the same Petitioners through a Petition to Review in the Ninth Circuit (Case No. 11-71127). After briefing and oral argument in that case, the Ninth Circuit issued an order remanding the final rule, without vacatur, to EPA on July 26, 2012. This second, final rulemaking is the product of EPA's re-examination of the April 20, 2011 rulemaking.

STATUS: *(No change since last month.)* The Board authorized staff to file a motion to intervene on behalf of EPA, which CPV Sentinel and the District have each filed. The court granted both parties' motions. Petitioners' opening brief was filed on February 7, 2014. Respondent's answering brief was filed on May 7, 2014; the Intervenors' (CPV Sentinel, LLC and the District) briefs were filed on June 9, 2014; and Petitioners' optional reply brief was filed on June 30, 2014. Oral argument has been set for October 22, 2014.

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10. CASE: **Medical Advocates for Healthy Air, et al v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-73386**

BACKGROUND: On October 19, 2012, Petitioners filed a Petition for Review of U.S. EPA's approval of San Joaquin Valley Air Pollution Control District's SIP revision to include SVAPCD's equivalent alternative program to meet the Clean Air Act's section 185(e) requirements triggered by its failure to attain the revoked one-hour ozone standard. EPA based its approval on its determination that the

Clean Air Act allows for such an equivalent program so long as it is not less stringent than straight section 185(e) compliance.

STATUS:

(No change since last month.) With your Board's approval, we as well as SJAPCD and National Environmental Development Association's Clean Air Project moved to intervene in this case. All three requests were granted. All briefing on the case has been completed and numerous other associations have filed amicus briefs. *The parties await a hearing date.*

Different petitioners filed a challenge to SCAQMD's Rule 317 on January 14, 2013. *That case is no longer stayed and is currently being briefed..*

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11. CASE:

Communities for a Better Environment, California Communities Against Toxics, Desert Citizens Against Pollution, Natural Resources Defense Council, Inc., and Physicians for Social Responsibility-Los Angeles v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-71340

NATURE OF CASE:

This lawsuit challenges on unspecified grounds EPA's final approval of the 8-hour ozone SIP applicable to the South Coast Air Basin.

STATUS:

The Governing Board at its May 4, 2012 hearing approved filing a Motion to Intervene. The District timely filed a joint motion to intervene with SCAG, which was not opposed by Petitioners or EPA. The motion has been granted. EPA has published a proposed settlement agreement, which calls for the voluntary dismissal of this lawsuit after EPA's publication of its final notice of action on the District's 1-hour ozone plan. *Petitioners have filed a motion to voluntarily dismiss the case, and the case has been dismissed.*

* * *

12. CASE:

Medical Advocates for Healthy Air, et al. v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-70630

NATURE OF CASE:

This lawsuit challenges EPA's December 30, 2011 determination that the South Coast Air Basin Area, the San Joaquin Valley Area and the Southeast Desert Modified Air Quality Maintenance Area did not attain the now revoked one-hour ozone standard by the deadline for attainment established under the 1990 amendments to the Clean Air Act (76 Fed. Reg. 82,133). Petitioners take issue with the statutory authority under which EPA made those determinations

and assert that EPA should have made its finding under section 179(c) of the Clean Air Act, 42 U.S.C. § 7509(c), a section that they claim would require the nonattaining areas to develop new attainment plans for the now revoked one-hour ozone standard.

STATUS:

(No change since last month.) Your Board granted authorization and the District filed its motion to intervene on behalf of EPA on March 28, 2012. Petitioners opposed the District's motion to intervene and the Court referred the motion and any related filings to the panel assigned to decide the merits of the appeal. San Joaquin Valley Unified Air Pollution Control District's unopposed motion to intervene was granted by the Court. On April 12, 2012, Petitioners and EPA held a telephone conference with the Circuit Mediator. Pursuant to the agreement of the parties, the briefing schedule was vacated and the case was stayed. A mediation conference call was held on January 16, 2014 during which it was reported that San Joaquin's 1-hour ozone plan was adopted and approved by CARB and forwarded to EPA. Based on these representations, the parties have agreed to continue to hold the case in abeyance until EPA issues a final decision on the Valley's 1-hour ozone plan. The court has entered an order to this effect and will schedule a follow-up conference call on December 16, 2014.

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13. CASE:

Physicians for Social Responsibility–Los Angeles, et al. v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-70016 (Monitoring)

NATURE OF CASE:

On January 3, 2011, a number of environmental groups filed a challenge in the Ninth Circuit Court of Appeals to EPA's approval of the District's annual air monitoring plan. They argue that EPA should have required SCAQMD to install six (6) air monitors to detect elevated levels of PM_{2.5} in areas very near heavily traveled roadways. Our position and EPA's is that such monitoring is not required. This is the same issue that was raised in NRDC v EPA, 638 F.3d 1183 (9th Cir. 2011) (conformity case) in which the petitioners were unsuccessful.

STATUS:

(No change since last month.) Both EPA and the District have filed their opposition briefs, and Petitioners have filed their reply brief. EPA has published its final rule on PM-2.5 and has required near-road monitoring. This case has now been set for oral argument on October 22, 2014. *The court has agreed to the parties' stipulation to postpone the hearing to finalize a settlement.*

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14. CASE: **Physicians for Social Responsibility et al. v. EPA, Ninth Circuit Court of Appeals Case No. 12-70079 (PM2.5)**

NATURE OF CASE: On November 9, 2011, the U.S. EPA approved in part and disapproved in part the 2007 PM2.5 SIP (including elements from SCAG, SCAQMD, and CARB) which is part of the 2007 AQMP. The only part disapproved was the contingency measures. Physicians for Social Responsibility and others filed a challenge to EPA's approval in the applicable Court of Appeals. The Board authorized staff to file a motion to intervene to help EPA defend the case and that motion (filed jointly with SCAG) was granted. Environmental petitioners raised several issues in opposition to the EPA's proposed SIP approval, including issues regarding the enforceability of control measures, and lack of near-roadway monitoring.

STATUS OF CASE: *(No change since last month.)* The Ninth Circuit mediator held a conference with all the parties on February 21, 2012. Following discussions, the mediator set a schedule for the petitioners to submit a proposal to settle the case to defendants and intervenors by March 20. The mediator set a further conference call for April 13 to determine whether further discussion would be fruitful or whether a briefing schedule should be established. Petitioners provided a proposal which would have called for staff to agree to near roadway monitoring for PM2.5, to adopt new contingency measures which would be developed through mediation with the petitioners, and to agree to EPA imposing sanctions on the region if CARB does not adopt all its control measures by January 1, 2014. Staff concluded that this proposal was unacceptable and so notified the Petitioners. Petitioners' Opening Brief was filed on July 13, 2012; EPA's Respondent's brief was filed on October 26, 2012; and our Joint Intervenor's brief was filed on November 16, 2012. Petitioners' Reply Brief was filed on February 4, 2013. This case has now been set for oral argument on October 22, 2014.

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15. CASE: **Communities for a Better Environment, California Communities Against Toxics, v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-72358**

NATURE OF CASE: On July 24, 2012, Communities for a Better Environment and California Communities Against Toxics filed a Petition for Review of EPA's final rulemaking approving a revision to the District's portion of the California State Implementation Plan that incorporates Rule 1315 – Federal New Source Review Tracking System. The approved SIP revision establishes the procedures for

demonstrating equivalency with federal offset requirements by specifying how the District will track debits and credits in its Offset Accounts for Federal NSR Equivalency for specific federal nonattainment pollutants and their precursors.

STATUS:

(No change since last month.) The Board authorized staff to file a motion to intervene on behalf of EPA. Our motion to intervene was filed on August 17, 2012 and on August 21, 2012 the court issued an order granting the District's motion. The opening brief was filed by Petitioners on November 15, 2012. EPA's answering brief was filed by February 20, 2013 and the District's intervenor brief was filed on April 3. Petitioners' optional reply brief was filed on June 7, 2013. Oral argument has been set for October 22, 2014.

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16. CASE:

California Building Industry Ass'n v. Bay Area Air Quality Management District, California Court of Appeal, First Appellate District, Case Nos. A135335 & A136212

NATURE OF CASE:

The Board authorized staff to file an amicus brief in support of Appellant Bay Area AQMD. In 2010, the Bay Area AQMD adopted a series of thresholds of significance ("Thresholds") for greenhouse gases ("GHGs") and toxic air contaminants ("TACs"). In response to the Bay Area's adoption of the Thresholds, the California Building Industry Association ("BIA") filed suit, asserting, among other things, that: (1) adopting the Thresholds was a "project" under CEQA and the Bay Area was thus required to analyze the environmental impacts of adopting the Thresholds; and (2) that the TAC Receptor Thresholds unlawfully required an analysis of the effect of the existing toxic air pollution on the proposed project. The trial court held that the Bay Area's adoption of the Thresholds was a "project" under CEQA, but the court declined to reach the issue of whether the TAC Receptor Thresholds were contrary to CEQA. The Bay Area has appealed the trial court's ruling that adopting the Thresholds is a "project" under CEQA, and BIA has requested that the court of appeal resolve its claim that the TAC Receptor Thresholds violated CEQA.

STATUS:

(No change since last month.) The California Court of Appeal issued a decision on August 13, 2013. The court held that the promulgation of thresholds of significance by a public agency is itself not a "project" subject to CEQA review. It also held that the TAC Receptor Thresholds are not facially invalid because they can be used during CEQA review of a proposed project in ways other than analyzing the effect of the pre-existing pollution on the proposed project, such as determining whether the proposed project

itself would increase the TACs to a cumulatively considerable level, determining the health risks to students when a school project is located within a specified radius of a source of TACs, or determining whether the project is consistent with the area's general or specific plan. The court declined to decide whether the TAC Receptor Thresholds unlawfully required an analysis of the pre-existing pollution on the proposed project, stating that that discussion is better reserved for a case in which the Thresholds have actually been applied to a proposed project. The CBIA has filed a petition for review. On November 26, 2103, the California Supreme Court granted review of the question of what circumstances under CEQA, if any, requires an analysis of how existing environmental conditions will impact future residents or receptors of a proposed project. We filed an amicus brief in support of BAAQMD on April 16, 2014.

* * *

17. CASE:

SCAQMD v. Harvey Eder, California Court of Appeal, Second Appellate District, Case No. B251627

BACKGROUND:

SCAQMD appeals from the trial court's judgment granting SCAQMD's dismissal for failure to timely file an amended complaint but without prejudice. Mr. Eder had filed a cross-appeal of the judgment granting dismissal. On June 12, 2013, the court sustained the SCAQMD's demurrer with 30 days leave to amend to Mr. Eder's complaint that the SCAQMD was required to include in its AQMP a requirement to immediately convert the Basin to solar energy. Mr. Eder did not file an amended complaint, and on September 13, 2013, the District moved to dismiss the complaint with prejudice. The court granted the dismissal but without prejudice, effectively allowing Mr. Eder to re-file his complaint.

STATUS:

Mr. Eder was granted an extension to file his reply brief by October 20, 2014.

Air Resources Board
Tentative Calendar for Control Measures and Selected Items
(October 2014)

(Hearing dates and agendas are subject to change; please see
<http://www.arb.ca.gov/board/board.htm> for the current Board meeting agenda.)

October 23, 2014 – Sacramento

- **Proposed Modifications to LEV III Criteria Pollutant Requirements for Light- and Medium-Duty Vehicles, the HEV Test Procedures, and the HD Otto-Cycle and HD Diesel Test Procedures**
<http://www.arb.ca.gov/msprog/levprog/leviii/leviii.htm>
http://www.arb.ca.gov/msprog/consumer_info/advanced_clean_cars/acc.htm

The Board will consider proposed modifications to LEV III criteria pollutant requirements, Hybrid-Electric Vehicle (HEV) test procedures, and heavy-duty diesel test procedures.

Subsequent to the adoption of the Advanced Clean Cars (ACC) program, the U.S. Environmental Protection Agency (U.S. EPA) finalized the federal Tier 3 program designed to reduce criteria pollutants from light-duty vehicles from model years 2017 through 2025. (The Tier 3 regulations do not address GHG emissions.) The Tier 3 program essentially mirrors California's LEV III criteria pollutant program in both structure and requirements and was developed in a cooperative effort with the Air Resources Board (ARB). Consistent with ARB's comments on the Tier 3 program as originally proposed by U.S.EPA, staff is proposing to align with a number of features of the Tier 3 program, some of which are more stringent than LEV III. This further alignment with Tier 3 will allow manufacturers to produce vehicles that can meet both California and federal emission requirements.

Other proposed changes include:

- Updates to the references to the Code of Federal Regulations in California's test procedures (including the light- and medium-duty test procedures, the non-methane-organic gas test procedures, the heavy-duty Otto-cycle and heavy-duty diesel test procedures, and the hybrid electric vehicle test procedures).
- Revisions to the manufacturer reporting procedures for their advanced technology vehicles to include Battery Electric Vehicles and Plug-In Electric Vehicles in order to better facilitate California's infrastructure planning for these vehicles.
- Modifications to the California Environmental Performance Label scores to incorporate the LEV III emission categories.

- Modifications to the Hybrid Electric Vehicle Test Procedures to accommodate “real world” plug-in hybrid electric vehicles.
- **2014 Amendments to the Zero-Emission Vehicle Regulation**
<http://www.arb.ca.gov/msprog/zevprog/zevprog.htm>

The Board will consider amendments to the Zero-Emission Vehicle regulation. The proposed amendments include (1) Modify the IVM definition to provide additional production lead time, (2) modify the IVM definition to add a global revenue test (with concomitant product plan reporting), (3) lower the percent of ZEVs that IVMs must produce, (4) provide a pathway for IVMs to pool compliance obligations in Section 177 states, and (5) allow additional time to make up ZEV credit deficits (with a concomitant credit make up plan). In addition, the amendments include minor regulatory clean up changes as a follow up to the amendments that went into effect in July 2014 and other minor non-substantive changes to the ZEV regulation.

- **Minor Updates to the 1997 8-Hour Ozone Standard SIPs: Coachella Valley and Western Mojave Desert Ozone Nonattainment Areas**
<http://www.arb.ca.gov/planning/sip/sip.htm>

The board will consider minor updates to the 1997 8-Hour Ozone Standard SIPs in the Coachella Valley and Western Mojave Desert Ozone Nonattainment areas. The 2007 Coachella Valley and the 2008 Western Mojave Desert 8-hour ozone SIPs are being updated to reflect the latest emission inventory, control measures, economic forecasts, transportation activity projections, and vehicle miles traveled offset demonstrations. This SIP update will support U.S. EPA's approval of the 2007 Coachella Valley and the 2008 Western Mojave Desert 8-hour ozone SIPs for attainment of the 1997 8-hour ozone standard.

- **Supplemental Document to the San Joaquin Valley 24-Hour PM2.5 SIP**
<http://www.arb.ca.gov/planning/sip/sip.htm>

The Board will consider approval of the supplemental document for the San Joaquin Valley 24-Hour PM2.5 SIP. The Supplemental Document demonstrates compliance with the requirements under Subpart 4 of the Clean Air Act (Act) for the 24-hour PM2.5 standard and provides the information U.S. Environmental Protection Agency (U.S. EPA) needs to approve the San Joaquin Valley 24-hour PM2.5 SIP under Subpart 4 of the Act.

- **Report On Reductions Achieved From Incentive-Based Emission Reduction Measures in the SJV**
<http://www.arb.ca.gov/planning/sip/sip.htm>

The Board will consider a report that quantifies the emission reductions from the Carl Moyer and Prop 1B incentive programs for projects that will be in place throughout the

San Joaquin Valley PM2.5 Plan attainment year of 2014. The report also demonstrates how these reductions meet U.S. EPA requirements for credit toward fulfilling the aggregate emission reductions commitment in the San Joaquin Valley PM2.5 Plan. If approved, the Report will be submitted to U.S. EPA for inclusion in the SIP.

Board Meetings November through December 2014

- **San Joaquin Valley 8-Hour Ozone Update**
<http://www.arb.ca.gov/planning/sip/2007sip/sjv8hr/sjvozone.htm>

The Board will hear an update of the air quality modeling developed for the San Joaquin Valley's 8-hour Ozone Plan, approved in 2011. This update will reflect emissions inventory improvements as well as updates to modeling tools and other information since 2007.

- **Consider Approval of the Imperial PM2.5 Plan**
<http://www.arb.ca.gov/planning/sip/sip.htm>

The Board will consider approval of the 2013 Imperial County State Implementation Plan for attainment of the federal 24-hour PM2.5 standard.

- **Proposed Adoption of a Rice Protocol for Cap and Trade Regulation (First Hearing of Two)**
<http://www.arb.ca.gov/cc/capandtrade/protocols/riceprotocol.htm>

The Board will consider adopting a protocol to quantify and report greenhouse gas (GHG) emission reductions from flooded rice fields. The protocol would provide eligibility rules, methods to quantify GHG emission reductions, offset project monitoring instructions, and procedures for preparing Offset Project Data Reports. All offset projects would be required to submit to independent verification by ARB-accredited verification bodies. Regulatory requirements for verification of Offset Project Data reports will be provided in the Cap-and-Trade Regulation.

This protocol will be designed to ensure the complete, consistent, transparent, accurate, and conservative quantification of GHG emission reductions associated with a Rice Cultivation project. The protocol will be comprised of both quantification methodologies and regulatory program requirements to develop a Rice Cultivation project for generating ARB offset credits.

DRAFT

Agenda Item No. 9

HOME RULE ADVISORY GROUP
2015 MEETING SCHEDULE
(USUALLY THE THIRD WEDNESDAY OF EACH MONTH
EXCEPT AS NOTED)

All meetings are at 10:00 a.m. and are held in Conference Room CC-8

January 21

February 18

March 18

April 15

May 20

June 17

July 22 (4th Wednesday because of CCEEB event conflict)

August – dark

September 16

October 21

November 18

December 16